



General Assembly

Substitute Bill No. 382

February Session, 2010

* ____SB00382ENV__031910__ *

**AN ACT REQUIRING BIODIESEL BLENDED HEATING OIL AND
LOWERING THE SULFUR CONTENT OF HEATING OIL SOLD IN THE
STATE.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 16a-21a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2011*):

4 (a) The amount of sulfur content of the following fuels sold, offered
5 for sale, distributed or used in this state shall not exceed the following
6 percentages by weight: (1) For number two heating oil, [three-tenths of
7 one per cent] for the period beginning July 1, 2011, and ending June 30,
8 2014, fifty parts per million and, on and after July 1, 2014, fifteen parts
9 per million, and (2) for number two off-road diesel fuel, three-tenths of
10 one per cent.

11 Sec. 2. (NEW) (*Effective October 1, 2010*) (a) For purposes of this
12 section:

13 (1) "Heating oil" means heating fuel that meets the American Society
14 of Testing Materials or "ASTM" standard D396 or the "ASTM" standard
15 D6751;

16 (2) "Biodiesel blend" means a fuel comprised of mono-alkyl esters of
17 long chain fatty acids derived from vegetable oils or animal fats that

18 meets the most recent version of ASTM International designation
19 D6751;

20 (3) "Sold" means the wholesale sale made to a retailer or the retail
21 sale made to an end-user consumer;

22 (4) "Commissioner" means the Commissioner of Consumer
23 Protection, or the commissioner's designee; and

24 (5) "Sufficient in-state production of biodiesel" means fifty per cent
25 of the annual mandated volume of biodiesel, as determined by the
26 most recent data available from the Energy Information
27 Administration of the United States Department of Energy, is available
28 from in-state producers based upon the combined nameplate capacity
29 of such producers.

30 (b) (1) Subject to the provisions of subdivision (2) of this subsection
31 and subsections (d) and (f) of this section, (A) not later than July 1,
32 2011, all heating oil sold in this state shall be a biodiesel blend
33 containing not less than two per cent biodiesel, (B) not later than July 1,
34 2012, all heating oil sold in this state shall be a biodiesel blend
35 containing not less than five per cent biodiesel, (C) not later than July
36 1, 2015, all heating oil sold in this state shall be a biodiesel blend
37 containing not less than ten per cent biodiesel, (D) not later than July 1,
38 2017, all heating oil sold in this state shall be a biodiesel blend
39 containing not less than fifteen per cent biodiesel, and (E) not later
40 than July 1, 2020, all heating oil sold in this state shall be a biodiesel
41 blend containing not less than twenty per cent biodiesel.

42 (2) The provisions of subparagraphs (A) to (E), inclusive, of
43 subdivision (1) of this subsection shall not take effect until the states of
44 New York, Massachusetts and Rhode Island each adopt requirements
45 that are substantially similar to the provisions of subparagraphs (A) to
46 (E), inclusive, of subdivision (1) of this subsection.

47 (c) Unless the commissioner issues a waiver pursuant to subsection
48 (f) of this section, any biodiesel blended with heating oil shall be

49 produced in accordance with industry-accepted quality control
50 standards. A certificate of analysis that verifies conformity with the
51 critical specifications of designation D6751 of ASTM International, as
52 defined by the National Biodiesel Accreditation Program, shall be
53 provided by the marketers or producers of any such biodiesel prior to
54 the blending of such biodiesel with heating oil. The Department of
55 Consumer Protection, within available appropriations, shall verify that
56 biodiesel offered for sale in this state conforms to the critical
57 specifications of designation D6751 of ASTM International, as defined
58 by the National Biodiesel Accreditation Program, and to the biodiesel
59 fuel quality compliance protocol currently accepted by the Department
60 of Consumer Protection.

61 (d) On or before April 1, 2011, and on or before April 1, 2012, the
62 Commissioner of Consumer Protection, in consultation with the
63 Distillate Advisory Board established pursuant to subsection (e) of this
64 section, shall, within available appropriations, determine whether
65 there is sufficient in-state production of biodiesel, to comply with the
66 provisions of subparagraphs (A) and (B) of subdivision (1) of
67 subsection (b) of this section, respectively. If the commissioner
68 determines that such production is not sufficient, the commissioner, in
69 consultation with the board, may delay the implementation date
70 contained in said subparagraph until July 1, 2012, or earlier, and July 1,
71 2013, or earlier, respectively, provided the commissioner: (1) Not later
72 than three business days after such determination, posts a notice
73 specifying the duration of such delay on the department's Internet web
74 site, and (2) not later than thirty days after such posting, reports, in
75 accordance with the provisions of section 11-4a of the general statutes,
76 the reasons for such delay to the joint standing committees of the
77 General Assembly having cognizance of matters relating to the
78 environment, general law and energy and technology.

79 (e) (1) There is established a Distillate Advisory Board. Such board
80 shall be located in the Department of Consumer Protection and shall
81 consist of the following members appointed by the Commissioner of
82 Consumer Protection: (A) Two representatives of the producers or

83 suppliers of biodiesel in this state, (B) two representatives of the retail
84 heating oil industry in this state, and (C) two representatives of the
85 wholesale distillate supply industry in this state. Each member of the
86 board shall serve at the pleasure of the commissioner and without
87 compensation. No funds shall be allocated or made available to the
88 board.

89 (2) The board shall advise the commissioner on industry and market
90 progress in meeting and enabling compliance with the requirements of
91 subsections (b) and (c) of this section.

92 (f) (1) The Commissioner of Consumer Protection, upon the receipt
93 of a petition submitted by the Distillate Advisory Board in compliance
94 with the provisions of subdivision (2) of this subsection, shall
95 temporarily waive the requirements of subsections (b) and (c) of this
96 section when: (A) The United States Department of Energy authorizes
97 a release from the Northeast Heating Oil Reserve, (B) there is an
98 inadequate supply of low-sulfur distillate products, or (C) there is an
99 inadequate supply of biodiesel blending stocks or an operational
100 problem that affects the supply of biodiesel blending stocks. Any such
101 waiver shall be for a period of not less than thirty days and not more
102 than forty-five days, provided such waiver may be renewed after the
103 expiration of such period of time.

104 (2) Any petition from the Distillate Advisory Board that requests a
105 waiver of any requirement of subsection (b) or (c) of this section shall
106 include, at a minimum: (A) A statement of the immediate threat to the
107 health and safety of the citizens of this state posed by the inadequate
108 supply of low-sulfur distillate products, biodiesel blending stocks or
109 operational problems that affect the supply of biodiesel blending
110 stocks, as applicable, (B) the cause and nature of such inadequate
111 supply or operational problem, as applicable, (C) the expected
112 duration of such inadequate supply or operational problem, and (D) as
113 applicable, a description of any alternative distillate supply that
114 temporarily is needed to take the place of the applicable distillate
115 supply described in subsection (b) or (c) of this section. Not later than

116 three business days after receipt of any such petition, the
117 commissioner shall issue a waiver of the requirements of subsection (b)
118 or (c) of this section, as applicable.

119 (g) Not later than February 1, 2012, and each year thereafter, the
120 Commissioner of Consumer Protection, in consultation with the
121 Distillate Advisory Board, shall submit a report, in accordance with the
122 provisions of section 11-4a of the general statutes, to the joint standing
123 committees of the General Assembly having cognizance of matters
124 relating to energy and the environment on the progress in meeting the
125 requirements of this section and on any affect that such requirements
126 may have on the price or supply of heating oil in this state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	16a-21a(a)
Sec. 2	<i>October 1, 2010</i>	New section

ENV *Joint Favorable Subst.*